

Mr. [Signature]

FEDERAL RESERVE BANK
of KANSAS CITY

OCT 22 1962

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BANKING AND MONETARY DEVELOPMENTS IN SEPTEMBER 1962

Total commercial bank credit, seasonally adjusted, increased further in September. Total loans increased substantially as security loans rose sharply and other major loan categories also increased. Holdings of U. S. Government securities declined. The money supply increased somewhat and time deposits at commercial banks rose substantially further. Total reserves and required reserves increased while free reserves declined.

Bank credit. Total credit at commercial banks, seasonally adjusted, increased \$1.7 billion further in September. Total loans rose a record \$2.4 billion, reflecting a sharp rise in security loans as well as continued substantial growth in business and real estate loans. Holdings of U. S. Government securities declined. Shifts within commercial bank Government portfolios reflected the effect of the Treasury's advance refunding which resulted in an exchange of \$4.7 billion of notes and certificates maturing in February and May 1963 for new 5-year notes and 10-year bonds. Holdings of non-Government securities were unchanged following rapid growth around mid-year and more moderate expansion over the past two months. Total credit growth in September was larger than usual at both weekly reporting banks in leading cities and at banks not reporting weekly; in each case, loan growth was large.

Seasonally adjusted business loans at all commercial banks increased \$500 million in September, about the same as in August and more than in most other recent months. At weekly reporting banks in leading cities, borrowing over the mid-September tax and dividend payment period was somewhat larger than in the comparable period last year. Corporate taxes were about the same in the two years and maturing tax securities were available in both years.

Over the month of September, loans to metals processors and to public utilities, which usually increase substantially over tax and dividend payment months, accounted for about half the unadjusted rise in business loans at city banks. Borrowing by metals processors was larger than in the comparable period of other recent years and that by public utilities about the same. Loans to food processors, commodity dealers, and trade concerns rose about seasonally. Loans to textile concerns declined slightly as is usual while those to petroleum and chemical concerns, which normally increase in September, also declined. On the other hand, net new borrowing by "other manufacturing and mining concerns" was larger than usual.

Security loans, seasonally adjusted, increased \$1 billion in September, an unusually large rise. Loans to U. S. Government security dealers increased sharply around mid-September, associated in large part with the Treasury's advance refunding operation, and remained at unusually high levels through the rest of the month. Loans for purchasing and carrying non-Government securities which had begun to increase in August rose further over September.

Real estate loans at all commercial banks showed further substantial expansion in September. Over the past six months, growth in these loans has exceeded that in the comparable six months of the 1959 and 1955 expansions. Consumer loans continued to rise moderately. Loans to nonbank financial institutions also rose over August and September.

Money supply. The daily average money supply, seasonally adjusted, increased \$500 million between the second half of August and the second half of September following a reduction of \$900 million in the previous month. In late September, the money supply was about 1 per cent above the level in September a year ago and about 1/2 per cent below the 1961 year-end level.

Average time and savings deposits at all commercial banks increased \$900 million in September. This was a larger rise than in August and not too different from that of other recent months. Over the past six months these deposits have increased at an annual rate of about 13 per cent. While this is below the exceptionally rapid growth rate of 25 per cent in the first quarter, it is the same as in late 1960 and 1961, when growth was much more rapid than in most other postwar years. At weekly reporting banks in leading cities, savings deposits increased at a slightly more rapid rate in September than in August while other time deposits of individuals, partnerships, and corporations rose at about the same rate in both months.

The seasonally adjusted annual rate of demand deposit turnover at banks in 343 centers outside New York declined to 31.1 in September (preliminary) from 31.6 in August. The September rate was lower than in any other month since February. Over the first three-quarters of the year, however, turnover averaged 8 per cent above the corresponding months last year.

Bank reserves. Total reserves and required reserves of member banks increased in September. Excess reserves declined to \$460 million while borrowings from the Federal Reserve dropped somewhat to \$80 million. This free reserve level of \$380 million compared with levels of about \$440 million in July and August. At city banks, reserve positions shifted to net borrowed reserves and at country banks, free reserves declined. The effective rate on Federal funds remained high in September, averaging 2.89 per cent compared with 2.95 per cent in August. It was consistently at 3 per cent over the entire first half of the month and at 2-3/4 to 3 per cent in the second half.

During September, on a daily average basis, reserves were supplied by an increase in float. Reserves were absorbed by some further gold outflow, a small rise in currency in circulation, and a reduction in System holdings of U. S. Government securities. Sales of securities were heavy around the midmonth when float was rising sharply but were offset in part by subsequent substantial purchases.

Revision of monthly commercial bank data based on June 30 call. Data for assets and liabilities of all commercial banks have been revised on the basis of the June 30 call. Data for June 30 have been substituted for the June 27 data previously used. Other monthly data have been revised beginning, in most cases, in April.

Revisions in estimates for nonmember banks resulted in an increase in total loans and investments of about \$400 million. This was reflected largely in an upward revision of the loan level. Smaller upward revisions in U. S. Government security holdings were about offset by small downward revisions in holdings of other securities.

Total loans and investments were almost \$1 billion higher on June 30 than on June 27 after the \$400 million upward adjustment had been made in the June 27 figures for nonmember banks. A tabulation for weekly reporting banks as of June 30 indicates that total loans and investments at these banks, exclusive of interbank, rose \$945 million between June 27 and June 30. However, over the reporting week, June 27-July 4, total loans and investments declined \$49 million indicating that the decline in the four days following June 30 was \$994 million. Loans accounted for a large part of this fluctuation. Total loans excluding interbank, increased \$625 million between June 27 and June 30 and declined \$645 million between June 30 and July 4. Business loans rose \$181 million and subsequently declined \$352 million; security loans rose \$346 million and declined \$321 million. Changes in other loan categories were smaller and in some cases in the opposite directions. Holdings of U. S. Government securities increased \$226 million between June 27 and June 30 and then dropped \$449 million in the following four days. Holdings of other securities increased \$94 million between the last Wednesday and June 30 and then an additional \$100 million in the first four days of July.

Banking Section,
Division of Research and Statistics,
Board of Governors of the Federal Reserve System.

October 17, 1962.

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

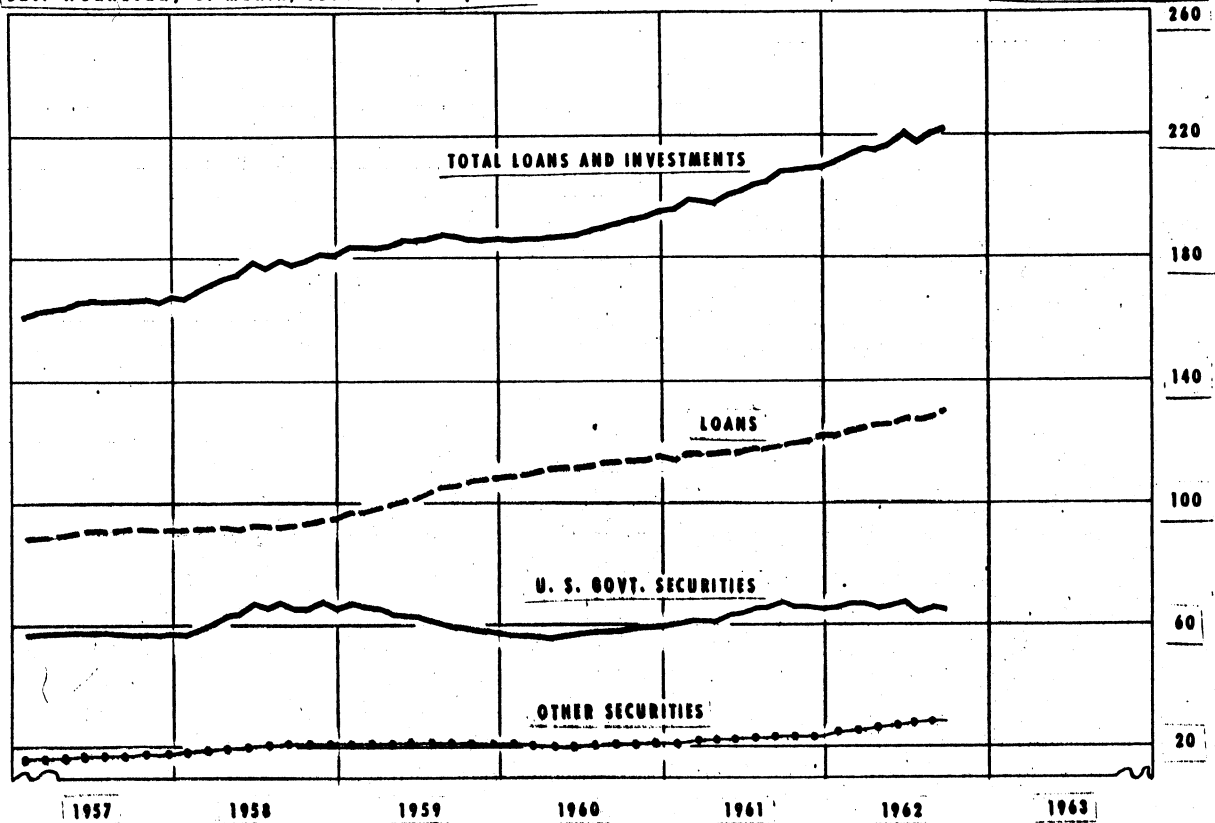


Exhibit A - Part II

Date	Total ^{1/}	Loans ^{1/}	U. S. Gov't. securities	Other securities
(In billions of dollars)				
1957--Dec. 31	166.4	91.4	57.0	17.9
1958--Dec. 31	181.0	95.6	64.9	20.5
1959--Dec. 31	185.7	107.8	57.6	20.4
1960--Dec. 31	194.5	114.2	59.6	20.7
1961--Dec. 31	209.6	121.1	64.7	23.8
1962--Jan. 31	210.7	120.8	65.7	24.2
Feb. 28	213.3	122.6	66.1	24.6
March 28	215.2	123.8	66.1	25.3
April 25 r	215.0	124.5	64.6	25.9
May 30 r	216.4	124.8	65.5	26.1
June 30	220.3	126.6	66.6	27.1
July 25 r	217.8	126.1	64.1	27.6
Aug. 29 r	220.3	127.3	65.0	28.0
Sept. 26 p	222.0	129.7	64.3	28.0

^{1/} Adjusted to exclude interbank loans.

r - Revised

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted.

Billions of dollars

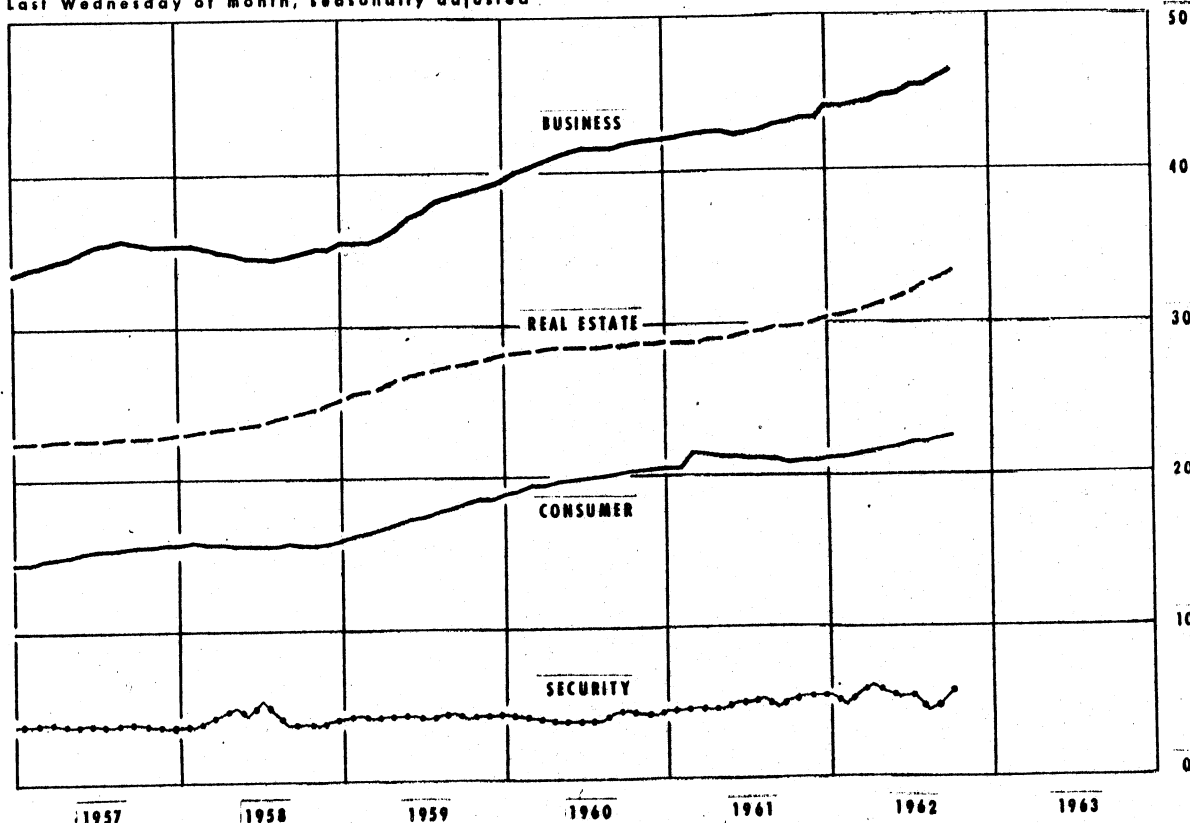


Exhibit B - Part II

Date	Business	Real Estate	Consumer	Security
(In billions of dollars)				
1957--Dec. 31	35.3	23.0	15.7	3.8
1958--Dec. 31	35.4	25.2	15.9	4.1
1959--Dec. 31	39.5	28.0	18.8	4.2
1960--Dec. 31	42.1	28.7	20.5	4.3
1961--Dec. 31	44.1	30.3	21.0	5.2
1962--Jan. 31	44.1	30.4	21.1	4.8
Feb. 28	44.2	30.6	21.2	5.5
March 28	44.5	30.9	21.4	6.0
April 25	44.8	31.2	21.6	5.6
May 30 r	45.0	31.6	21.8	5.2
June 30	45.5	32.0	22.0	5.3
July 25 r	45.5	32.4	22.0	4.4
Aug. 29 r	46.0	32.8	22.2	4.7
Sept. 26 p	46.5	33.2	22.4	5.7

r - Revised

p - Preliminary

Exhibit C
Changes in Loans and Investments at all Commercial Banks, Seasonally Adjusted
(In billions of dollars)

Item	1961				1962								
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. ^{3/}	May ^{3/}	June ^{3/}	July ^{3/}	Aug. ^{3/}	Sept. ^p
Loans and investments ^{2/}	+2.7	+0.4	+1.2	+1.3	+1.1	+2.6	+1.9	-0.1	+1.4	+3.9	-2.5	+2.5	+1.7
U. S. Gov't. securities	+1.0	-0.8	^{1/}	-0.6	+1.0	+0.4	^{1/}	-1.5	+0.9	+1.1	-2.5	+0.9	-0.7
Other securities	+0.6	^{1/}	+0.4	+0.2	+0.4	+0.4	+0.7	+0.6	+0.2	+1.0	+0.5	+0.4	^{1/}
Loans ^{2/}	+1.1	+1.2	+0.8	+1.7	-0.3	+1.8	+1.2	+0.7	+0.3	+1.8	-0.5	+1.2	+2.4
Business	+0.2	+0.3	^{1/}	+0.8	^{1/}	+0.1	+0.3	+0.3	+0.2	+0.5	^{1/}	+0.5	+0.5
Real estate	^{1/}	+0.1	+0.2	+0.3	+0.1	+0.2	+0.3	+0.3	+0.5	+0.4	+0.4	+0.4	+0.4
Consumer	-0.2	+0.1	+0.1	^{1/}	+0.1	+0.1	+0.2	+0.2	+0.2	+0.2	^{1/}	+0.2	+0.2
Security	+0.3	+0.2	^{1/}	^{1/}	-0.4	+0.7	+0.5	-0.4	-0.4	+0.1	-0.9	+0.3	+1.0
Nonbank financial	+0.3	+0.2	+0.2	^{1/}	^{1/}	-0.1	+0.2	-0.1	+0.1	+0.3	-0.1	+0.2	+0.1
Agriculture	^{1/}	+0.1	+0.2	+0.1	+0.3	+0.1	^{1/}	+0.1	-0.1	+0.1	+0.1	-0.4	^{1/}
All other	+0.2	+0.2	+0.1	+0.1	+0.2	+0.3	+0.4	^{1/}	^{1/}	+0.2	+0.2	+0.1	+0.2

NOTE--Individual loan items may not add to change in total loans because: (1) loan items are gross of valuation reserves while total loans are net; and (2) loan items and total loans are independently seasonally adjusted. Seasonally adjusted loans, by category, are experimental and are subject to revision.

^{1/} Less than \$50 million.

^{2/} Adjusted to exclude interbank loans.

^{3/} Data revised on basis of June 30, 1962, call.

p - Preliminary

Exhibit D
 Changes in Loans and Investments at All Commercial Banks, at Weekly
 Reporting Banks, and at Other Banks, Not Adjusted for Seasonal.
 (In billions of dollars)

Item	Last Wednesday of August to last Wednesday of September						
	1962	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+3.3	+1.8	+1.0	+1.0	+0.5	+0.7	+0.9
U. S. Gov't. securities	+0.4	+1.9	+1.1	-1.1	-1.4	-0.3	-0.2
Other securities	+0.3	+0.8	+0.2	+0.2	+0.4	+0.2	+0.2
Total	+4.1	+4.5	+2.4	+0.2	-0.4	+0.5	+0.9
Weekly reporting banks							
Total loans	+2.3	+1.5	+0.8	+0.7	+0.5	+0.4	+0.6
U. S. Gov't. securities	=0.3	+1.0	+0.4	-1.1	-1.4	-0.4	-0.5
Other securities	+0.1	+0.4	+0.2	+0.1	1/	+0.1	1/
Total	+2.2	+2.8	+1.4	-0.4	-0.9	+0.1	+0.1
Other banks							
Total loans	+1.0	+0.3	+0.2	+0.3	1/	+0.3	+0.3
U. S. Gov't. securities	+0.7	+0.9	+0.7	1/	1/	+0.1	+0.3
Other securities	+0.2	+0.4	1/	+0.1	+0.4	+0.1	+0.2
Total	+1.9	+1.7	+1.0	+0.6	+0.5	+0.4	+0.8
Item	End of December to last Wednesday of September						
	1962	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+6.7	+1.4	+3.5	2/+8.8	-0.6	+2.6	+5.2
U. S. Gov't. securities	=2.3	+5.1	-1.2	2/-7.2	+6.5	-2.7	-4.6
Other securities	+4.3	+2.4	-0.3	2/+0.1	+2.7	+0.8	-0.1
Total	+8.7	+9.0	+1.9	2/+1.9	+8.6	+0.6	+0.4
Weekly reporting banks							
Total loans	+2.8	=0.8	+0.5	+4.8	-2.2	+0.6	+3.3
U. S. Gov't. securities	-3.4	+3.8	+0.1	-6.5	+5.0	-2.1	-4.0
Other securities	+3.0	+1.5	-0.1	-0.1	+1.6	+0.2	-0.4
Total	+2.4	+4.6	+0.5	-1.8	+4.4	-1.4	-1.1
Other banks							
Total loans	+3.9	+2.2	+3.0	2/+4.0	+1.6	+2.0	+1.9
U. S. Gov't. securities	+1.1	+1.3	-1.3	2/-0.7	+1.5	-0.6	-0.6
Other securities	+1.3	+0.9	-0.2	2/+0.2	+1.1	+0.6	+0.3
Total	+6.3	+4.4	+1.4	2/+3.7	+4.2	+2.0	+1.5

NOTE--Data exclude all interbank loans; call report data for weekly reporting banks used when available.

1/ Less than \$50 million.

2/ As a result of bank structure changes, total credit increased about \$1 billion; \$600 million in loans; \$300 million in U. S. Gov't. securities; and \$100 million in other securities.

Exhibit E
Changes in Commercial and Industrial Loans at Weekly Reporting Banks
(In millions of dollars)

Business of Borrower	End of August to end of September ^{3/}					End of December to end of September				
	1962	1961	1960	1959	1958	1962	1961	1960	1959	1958
Food processors	+154	+158	+143	+256	+167	-391	-343	-417	-189	-503
Commodity dealers	+ 41	- 36	+ 46	+ 93	+ 36	-151	-223	-557	-131	-129
Trade concerns	+ 61	+ 91	+ 82	+ 46	+ 71	+194	- 51	+376	+366	- 81
Total	+256	+213	+271	+395	+274	-348	-617	-598	+ 46	-713
Sales finance	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	- 88	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>2/</u> +455	-1,007
Metals and products	+113	+ 24	+ 65	- 97	+ 40	+106	-401	+707	+721	-256
Textiles, apparel, etc.	- 14	- 29	- 26	- 24	- 12	+385	+220	+361	+347	+ 64
Petroleum, coal, etc.	- 40	+ 42	+ 15	+ 84	+ 33	-133	- 71	-127	- 32	-168
Other manufacturing and mining	+ 52	+ 3	+ 42	- 25	+ 23	+603	+244	+427	+266	+164
Public utilities	+203	+193	+191	+255	+ 73	-210	-282	+ 18	+193	-237
Construction	- 3	+ 17	+ 9	- 5	+ 22	+212	+ 96	+130	+105	+116
All other types of business	+ 24	- 2	+ 41	+ 21	+ 70	+211	+537	+256	+ 24	+223
Classified	+591	+461	+606	+608	+437	+825	-273	+1,173	+2,124	-1,814
Unclassified	+ 30	- 38	- 35	-119	- 4	+318	+ 16	-100	+ 90	-211
Total change	+621	+423	+571	+489	+433	+1,143	-257	+1,072	+2,214	-2,025
Total change excluding sales finance	+621	+423	+571	+489	+521	+1,143	-257	+1,072	+1,759	-1,018

1/ Not included in business loans on revised basis.

2/ Through July 1.

3/ Four weeks used throughout.

Exhibit F
Loans and Investments at All Commercial Banks
(In billions of dollars)

Date	Loans and investments	U. S. Govt. securities	Other securities	Total loans	Business	Real estate	Security	Farm	Consumer	Nonbank financial institutions	All other
1956: Dec. 31	164.5	58.6	16.3	89.7	38.7	22.5	4.3	4.2	14.6	--	6.9
1957: Dec. 31	169.3	58.2	17.9	93.2	40.5	23.1	4.2	4.1	15.8	--	7.2
1958: Dec. 31	184.4	66.4	20.6	97.5	40.4	25.3	4.7	5.0	15.9	--	8.2
1959: June 24 (old)	184.2	60.9	20.6	102.8	42.5	26.9	4.1	5.0	17.5	--	8.8
June 24 (new)	184.2	60.9	20.6	102.8	37.8	26.9	4.1	5.0	17.5	5.9	7.6
Dec. 31 ^{1/}	189.5	58.9	20.5	110.0	40.2	28.1	4.9	5.0	18.8	7.1	8.1
1960: Dec. 31	198.5	61.0	20.9	116.7	43.1	28.7	5.1	5.7	20.6	7.1	8.7
1961: Aug. 30	203.0	64.2	22.5	116.3	42.5	29.7	4.6	5.8	21.2	5.9	9.1
Sept. 27	207.5	66.1	23.3	118.1	43.0	29.8	5.1	5.8	21.0	6.4	9.4
Oct. 25	208.3	66.6	23.2	118.5	43.2	29.9	5.2	5.9	21.0	6.1	9.6
Nov. 29	109.1	66.2	23.4	119.5	43.6	30.1	5.0	6.0	21.0	6.3	9.9
Dec. 30	214.4	66.6	23.9	123.9	45.2	30.3	6.2	6.2	21.1	7.3	10.2
1962: Jan. 31	210.9	67.2	24.1	119.6	43.4	30.4	4.7	6.4	21.0	6.4	10.0
Feb. 28	211.6	66.0	24.5	121.1	43.7	30.5	5.4	6.6	20.9	6.4	10.1
Mar. 28	212.4	64.4	25.4	122.6	44.8	30.7	5.4	6.6	21.1	6.5	10.2
Apr. 28 r	214.8	64.7	26.1	124.0	44.7	31.1	5.7	6.7	21.4	6.5	10.5
May 30 r	215.3	64.4	26.1	124.8	45.0	31.5	5.1	6.6	21.7	6.6	10.8
June 30	219.2	64.4	27.0	127.7	45.9	32.0	5.3	6.8	22.0	7.2	11.1
July 25 r	217.8	64.2	27.5	126.1	45.2	32.4	4.4	6.7	22.2	6.9	11.0
Aug. 29 r	219.0	63.9	27.9	127.3	45.7	32.8	4.6	6.2	22.4	7.2	11.1
Sept. 26 p	223.1	64.3	28.2	130.6	46.5	33.3	5.8	6.2	22.6	7.4	11.5

p - Preliminary.

^{1/} Structure changes in 1959, on balance through August, added almost \$1 billion total credit; \$600 million in loans; \$300 million in U. S. Government securities; and \$100 million in other securities. Real estate loans increased about \$300 million; business loans \$100 million; consumer loans \$100 million; and other loans \$100 million.

NOTE--Data exclude interbank loans. Total loans are after and types of loans before deductions for valuation reserves. Consumer and "other loans" are partly estimated for all dates. Other data are partly estimated on all but June and December call dates. Beginning June 24, 1959, "business loans" and "all other loans" have been revised to exclude loans to nonbank financial institutions.

Exhibit G
 Ratios to Total Deposits 1/

Date	L O A N S						U. S. Govt. securi- ties maturing within one year	
	All com- mercial banks	Member banks					All commercial banks	
		Total	Reserve city banks			Country		
New York City	City of Chicago		Other					
1948: Dec. 31	31.2	31.3	35.9	30.4	33.4	27.1	2/	14.2
1949: Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5	2/	19.2
1950: Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5	2/	15.2
1951: Dec. 31	37.2	37.6	46.3	36.2	39.4	32.1		9.8
1952: Dec. 31	39.3	39.9	50.6	38.9	41.1	33.9		11.7
1953: Dec. 31	40.5	41.1	50.6	39.1	42.2	36.1		16.9
1954: Dec. 31	40.3	40.7	46.8	38.3	41.9	37.1		10.0
1955: Dec. 31	45.8	46.7	56.7	46.3	48.5	40.7		5.1
1956: Dec. 31	48.8	50.1	61.7	52.7	52.7	42.6		7.5
1957: Dec. 31	49.7	51.0	61.9	55.2	53.3	44.1		8.4
1958: Dec. 31	48.4	49.4	57.7	49.4	51.3	44.4		8.3
1959: Dec. 31	54.0	55.6	67.3	58.2	58.2	48.2		6.7
1960: Dec. 31	55.1	56.5	65.9	60.8	59.0	50.3		8.1
1961: Aug. 31	55.1	56.1	62.8	57.1	58.6	51.1		11.4
Sept. 27	54.7	55.7	63.6	56.6	57.9	50.7		11.8
Oct. 25	54.3	55.3	62.9	57.9	57.7	50.2		11.4
Nov. 29	54.7	55.7	63.5	57.7	58.3	50.5		10.4
Dec. 30	54.5	55.7	65.0	58.0	57.7	50.2		10.6
1962: Jan. 31	54.1	55.3	63.0	56.8	57.7	50.1		10.9
Feb. 28	54.9	56.0	64.7	58.8	58.0	50.8		11.7
Mar. 28	55.4	56.5	65.8	59.2	58.3	51.2		10.6
Apr. 25	55.4	56.5	65.4	58.3	58.4	51.3		10.9
May 30 r	55.8	56.8	64.4	57.3	59.1	51.8		11.1
June 30	55.9	56.8	63.6	57.5	59.0	52.1		10.7
July 25 r	55.6	56.5	63.0	56.5	59.3	51.7		10.7
Aug. 29 r	56.0	57.0	65.8	57.1	59.5	51.7		11.9
Sept. 26 p	56.4	57.6	68.8	58.6	59.7	51.6		n.a.

Total loans (adjusted to exclude loans to banks); U. S. Government securities maturing within one year estimated on basis of Treasury survey of ownership and total deposits (adjusted to exclude cash items in process of collection).

2/ Prior to 1951, data are on call basis and beginning in 1951, they are on maturity basis. On a call basis, data for 1951 and 1952 are 21.5 and 19.1 respectively.

NOTE: Comparability of figures affected by changes in Federal Reserve membership, mergers, etc.; by changes in the reserve classification of cities or individual banks, and by changes in items. Beginning August 1962, figures for both New York City and the City of Chicago include banks formerly classified as central reserve city and three banks whose classification as reserve city is continued.

p - Preliminary.
 r - Revised.

DEPOSITS AND CURRENCY

Semi-monthly averages of daily figures, seasonally adjusted

Billions of dollars

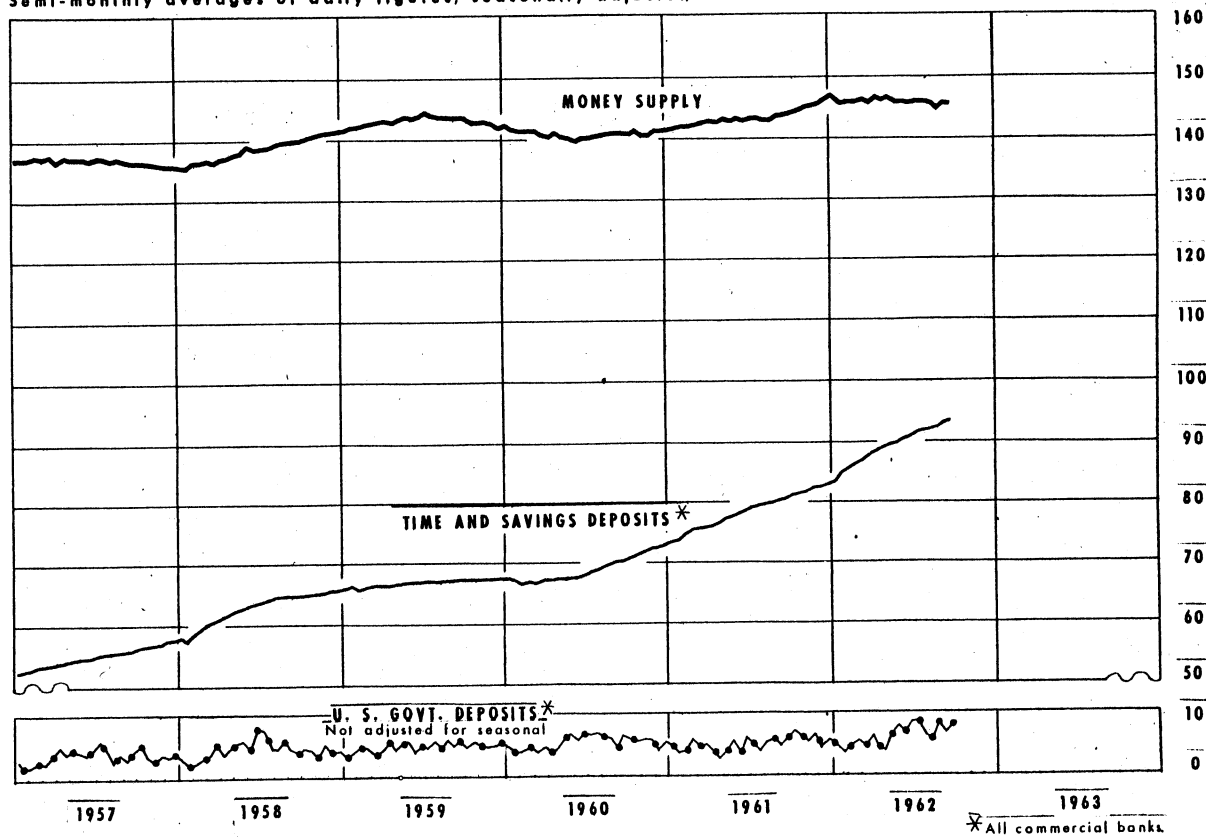


Exhibit H - Part II

Period	Seasonally adjusted data				U. S. Gov't. deposits
	Money supply			Time and savings deposits	
	Total	Demand deposits	Currency		
(In billions of dollars)					
1959--Dec. (2)	141.8	113.0	28.8	67.4	5.2
1960--Dec. (2)	141.2	112.2	28.9	73.0	5.3
1961--Dec. (2)	146.0	116.4	29.6	82.7	5.5
1962--May (2)	145.3	115.3	30.0	89.8	7.7
June (1)	145.6	115.5	30.1	90.4	6.1
(2)	145.5	115.3	30.2	90.9	8.3
July (1)	145.7	115.5	30.2	91.6	8.2
(2)	145.7	115.5	30.2	91.9	6.0
Aug. (1)	145.6	115.4	30.2	92.2	5.4
(2)	144.8	114.6	30.2	92.7	8.1
Sept. (1)	145.4	115.2	30.2	93.1	6.6
(2) p	145.3	115.1	30.2	93.6	7.9

TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES

Wednesday figures

Billions of dollars

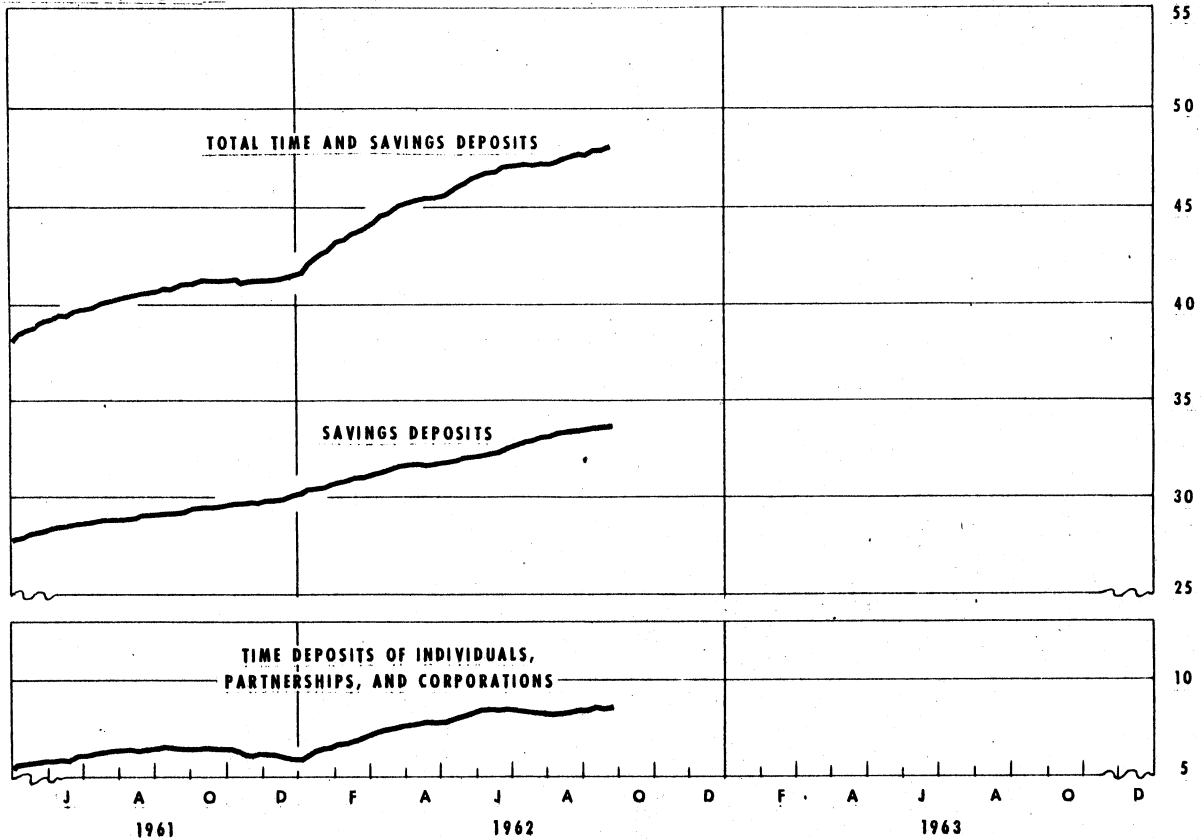


Exhibit I - Part II

Period	Time and Savings Deposits			
	Total	Savings	Individuals, partnerships, and corporations	Other time deposits ^{1/}
	(In millions of dollars)			
1961--April 26	38,175	27,819	5,480	4,876
Dec. 27	41,472	30,082	5,969	5,421
1962--April 25	45,513	31,740	7,804	5,969
May 30	46,484	32,116	8,322	6,046
June 27	47,077	32,539	8,511	6,027
July 25	47,257	33,044	8,296	5,917
Aug. 29	47,729	33,404	8,428	5,897
Sept. 5	47,723	33,481	8,402	5,840
12	47,901	33,552	8,548	5,801
19	47,903	33,631	8,457	5,815
26	48,093	33,734	8,535	5,824

^{1/} Includes States and political subdivisions, U. S. Government, foreign governments and official institutions, and interbank.

Exhibit J

Member Bank Reserves

(Based on averages of daily figures; in millions of dollars)

Date	Free reserves (excess reserves minus borrowings)					Excess reserves	Borrowings	Total reserves held seasonally adjusted			
	All member	Reserve City Banks			Country				All member	All member	All member
		New York City	City of Chicago	Other							
Monthly averages:											
1956: December	- 36	- 91	- 86	-203	344	651	688	17,643			
1957: December	-133	-105	- 77	-228	277	577	710	17,560			
1958: December	- 41	- 80	- 32	-197	268	516	557	18,494			
1959: December	-424	-109	-104	-449	237	481	906	18,540			
1960: December	669	10	- 4	80	583	756	87	18,887			
1961: July	530	7	--	56	567	581	51	19,025			
August	537	7	1	44	484	604	67	19,242			
September	553	2	2	50	499	589	37	19,411			
October	441	12	- 24	8	446	507	65	19,640			
November	509	14	- 13	13	494	614	105	19,792			
December	424	- 50	- 22	24	471	573	149	19,704			
1962: January	546	41	2	20	483	616	70	19,812			
February	434	11	- 3	22	404	502	68	19,789			
March	379	- 24	- 6	15	394	470	91	19,764			
April	440	50	- 20	9	401	509	69	19,822			
May	434	10	3	36	385	497	63	19,957			
June	370	- 12	- 3	- 4	389	470	100	19,984			
July	442	18	6	3	416	531	89	20,006			
August	437	7	- 14	2	441	564	127	19,941			
September p	383	- 20	- 10	--	412	463	80	20,077			

NOTE: Beginning July 26, 1962, figures for both New York City and the City of Chicago include banks formerly classified as central reserve city and three banks whose classification as reserve city is continued.

p - Preliminary.

Exhibit K
 Liquid Assets Held by the Public -- Seasonally Adjusted Series
 (Amounts in billions of dollars; ratios expressed as percentages)

End of year of month	Total liquid assets	Demand deposits adjusted and currency outside banks ^{1/}	Time deposits adjusted ^{1/}		Savings and loan shares ^{3/}	U. S. Govt. savings bonds ^{4/}	U. S. Govt. securities maturing within one year ^{5/}	Gross national product ^{6/}	R a t i o :		
			Commer- cial banks	Mutual savings banks ^{2/}					Commercial bank deposits + currency to total liquid assets ($(2+3) \div 1$)	Total liquid assets to GNP	Money supply to GNP
	1	2	3	4	5	6	7	8	9	10	11
1956	339.9	134.5	50.7	31.6	37.0	54.8	31.3	430.0	54.5	78.8	31.2
1957	351.7	133.6	56.4	33.0	41.7	51.7	35.3	442.3	54.0	79.3	30.3
1958	368.9	138.8	63.4	35.1	47.7	50.5	33.4	460.6	54.8	79.4	30.0
1959	388.7	140.2	66.2	35.9	54.3	48.0	44.1	488.5	53.1	79.4	28.7
1960	396.0	139.2	71.7	37.1	61.8	47.1	39.1	503.3	53.3	78.3	27.6
1961:											
May	408.1	140.8	77.4	37.7	65.2	47.2	39.8		53.5		
June	413.2	140.9	78.4	38.1	65.9	47.2	42.7	513.1	53.1	79.5	27.5
July	414.4	141.5	79.0	38.3	66.5	47.3	41.8		53.2		
Aug.	414.4	141.3	79.8	38.3	67.3	47.3	40.4		53.4		
Sept.	417.2	141.9	80.6	38.6	68.0	47.4	40.7	522.3	53.3	79.4	27.1
Oct.	420.9	143.8	81.4	38.7	68.9	47.3	40.8		53.5		
Nov.	420.6	143.4	82.5	38.9	69.7	47.3	38.8		53.7		
Dec.	424.6	144.8	82.4	39.1	70.5	47.6	40.2	538.6	53.5	78.1	26.6
1962:											
Jan.	425.7	143.7	84.8	39.2	71.2	47.6	39.2		53.7		
Feb.	430.6	144.4	86.2	39.4	71.8	47.5	41.3		53.6		
Mar.	435.3	144.0	87.6	39.6	72.7	47.5	43.9	545.0	53.2	78.7	26.5
Apr. r	438.9	145.8	88.3	39.8	73.3	47.4	44.3		53.3		
May r	437.6	143.5	89.6	39.9	74.0	47.4	43.2		53.3		
Juner	442.5	143.3	90.9	40.3	74.7	47.4	45.9	552.0	52.9	79.5	26.1
July r	443.7	144.3	91.5	40.7	75.2	47.5	44.5		53.1		
Aug. r	447.0	142.9	92.6	40.8	76.3	47.5	46.9		52.7		
Sept. p	n.a.	144.4	93.8	41.1	n.a.	n.a.	n.a.		n.a.		

Exhibit K (Continued)

p - Preliminary. e - Estimated.

- 1/ Data for demand and time deposits adjusted and currency outside banks are as of last Wednesday of month, except that time deposits are as of June 30 and December 31 when call data for these dates were available. Demand deposits adjusted are total demand deposits less interbank and U. S. Government demand deposits and cash items reported as in process of collection. Time deposits adjusted are total time deposits less interbank and U. S. Government time deposits.
- 2/ Includes savings deposits in the Postal Savings System.
- 3/ Prior to 1955 data are Board estimates based on monthly figures of inflow of new savings and withdrawals of savings capital compiled by the Federal Home Loan Bank Board.
- 4/ Includes all types of savings bonds held by investors other than banks and U. S. Government agencies and trust funds.
- 5/ Beginning May 1953 includes all marketable securities maturing within one year (adjusted to include partially tax exempt securities 12 months prior to first call date) and, prior to 1956, nonmarketable Treasury savings notes with maturities up to 36 months; figures include holdings of insurance companies, brokers and dealers, State and local governments, nonbank corporations, corporate pension funds, non-profit institutions, foreign accounts, and individuals; prior to May 1953 includes securities callable within one year.
- 6/ Gross national product estimates are available quarterly and annually only. For 1950-60 ratios are for last quarter of year; for 1961 and 1962, for each quarter of year. Data for total liquid assets and for money supply used in computing these ratios are quarterly averages for four dates: each month of the current quarter and the last month of the preceding quarter.
- 7/ Demand deposits adjusted (before seasonal adjustment) was increased by \$400 million and time deposits adjusted (before seasonal adjustment) was increased by \$1.5 billion due to the re-classification of deposits of foreign official institutions which formerly were grouped with interbank deposits and excluded from demand and time deposits adjusted.